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Scale of assessments for the apportionment of the expenses of the United Nations

Multi-year payment plans

Report of the Secretary-General

Summary

In its resolution 57/4 B, the General Assembly endorsed the conclusions and recommendations of the Committee on Contributions concerning multi-year payment plans, and, in its resolutions 58/1 B, 59/1 B and 60/237, it reaffirmed that endorsement. In this connection, the Committee recommended that the Secretary-General be requested to provide information on the submission of such plans to the Assembly, through the Committee on Contributions. It also recommended that the Secretary-General be requested to submit an annual report to the Assembly, through the Committee on Contributions, on the status of Member States' payment plans as at 31 December each year. The present report is submitted in compliance with those requests and provides information on payment plans/schedules submitted earlier by Georgia, Iraq, the Niger, the Republic of Moldova, Sao Tome and Principe and Tajikistan and on the status of implementation of those plans as at 31 December 2005.

The General Assembly may wish to take note of the present report and encourage Member States with significant arrears in contributions to consider submitting a multi-year payment plan.

* A/61/50 and Corr.1.

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I. Introduction

1. In its resolution 56/243 A, the General Assembly, inter alia, recognized that multi-year payment plans, subject to careful formulation, could be helpful in allowing Member States to demonstrate their commitment under Article 19 of the Charter of the United Nations to pay their arrears, thereby facilitating the consideration of applications for exemption by the Committee on Contributions, and requested the Secretary-General to propose guidelines for such multi-year payment plans through the Committee on Contributions.

2. After considering the report of the Secretary-General on multi-year payment plans[1] at its sixty-second session, in 2002,[2] the Committee on Contributions agreed that Member States should be encouraged to submit such plans, which constitute a useful tool for reducing their unpaid assessed contributions and a way for them to demonstrate their commitment to meeting their financial obligations to the United Nations. The Committee recognized in that regard that due consideration should be given to the economic position of Member States, as not all of them might be in a position to submit such plans, and recommended that multi-year payment plans should remain voluntary and should not be automatically linked to other measures.

3. The Committee also recommended that Member States considering a multi-year payment plan submit the plan to the Secretary-General for the information of other Member States and be encouraged to consult the Secretariat for advice in its preparation. In that context, it was suggested that:

(a) The plans provide for payment each year of the Member State's current-year assessments and a part of its arrears;

(b) Where possible, the plans generally provide for the elimination of a Member State's arrears within a period of up to six years.

4. The Committee further recommended that the Secretary-General be requested to provide information on the submission of such plans to the General Assembly, through the Committee on Contributions, and that the Secretary-General also be requested to submit an annual report to the Assembly, through the Committee on Contributions, on the status of Member States' payment plans as at 31 December each year.

5. The Committee also recommended that, for those Member States that are in a position to submit a payment plan, the Committee on Contributions and the General Assembly take the submission of a plan and its status of implementation into account as one factor when they consider requests for exemption under Article 19 of the Charter.

6. In paragraph 1 of its resolution 57/4 B, the General Assembly endorsed the above conclusions and recommendations contained in the report of the Committee on Contributions. In its resolutions 58/1 B, 59/1 B and 60/237, the Assembly reaffirmed paragraph 1 of resolution 57/4 B. The first annual report of the Secretary-General on multi-year payment plans[3] was considered by the Assembly at its fifty-eighth session, the second annual report[4] at its fifty-ninth session and the third annual report[5] at its sixtieth session.

II. Submission of multi-year payment plans

7. Subsequent to the issuance of the third annual report, Iraq submitted a payment plan under cover of a note verbale dated 11 April 2005 to the Chairman of the Committee on Contributions. Payment plans or schedules had been submitted earlier by Georgia, the Niger, the Republic of Moldova, Sao Tome and Principe and Tajikistan. In the announcement concerning the sixty-sixth session of the Committee on Contributions, to be included in the *Journal of the United Nations* from 20 March to 22 May 2006, the Secretariat has invited Member States considering the submission of a multi-year payment plan to contact the Secretariat for further information. In addition, in the note issued pursuant to paragraph 3 of General Assembly resolution 60/237 concerning the application of Article 19 of the Charter of the United Nations, attention was also drawn to the provisions of resolution 57/4 B. Should any other payment plans be submitted, related information will be provided in an addendum to the present report or in the report to be submitted to the General Assembly at its sixty-second session.

8. The plans submitted by Iraq and the Republic of Moldova were within the six-year time frame mentioned by the Committee, while those submitted by Georgia, the Niger, Sao Tome and Principe and Tajikistan had durations of 10, 9, 8 and 11 years, respectively. For the purposes of the present report, payments are taken to include cash payments by the Member States concerned, together with the application of any credits to their accounts arising during the period concerned. Related information is provided below.

Georgia

9. At the special session of the Committee on Contributions in 1999, the Government of Georgia indicated to the Committee that it intended to submit a schedule of future payments. It did so in 2000, at the sixtieth session of the Committee. At the sixty-first session of the Committee, in 2001, the Government of Georgia submitted a revised schedule. Under cover of his letters of 4 May 2002 and 17 May 2003 addressed to the President of the General Assembly, the Minister for Foreign Affairs of Georgia submitted further revisions of the schedule. Those submissions are summarized below:

	Schedule proposed in			
	2000	*2001*	*2002*	*2003*
	(United States dollars)			
2000	180 000			
2001	707 104	801 300		
2002	707 104	711 549[a]	671 818	
2003	707 104	711 549[a]	1 260 272[a]	
2004	1 060 656	1 067 324[a]	1 260 272[a]	776 229
2005	1 060 656	1 067 324[a]	1 260 272[a]	776 229
2006	1 414 208	1 423 094[a]	1 260 272[a]	776 229
2007	1 414 208	1 423 094[a]	1 260 272[a]	776 229

	Schedule proposed in			
	2000	2001	2002	2003
	(United States dollars)			
2008				776 229
2009				776 229
2010				776 229
2011				776 229
2012				776 229
2013				776 229

[a] Plus contributions for the current year.

10. If fully implemented, the most recent schedule proposed by the Government of Georgia would involve payments totalling $7,762,290. It would reduce Georgia's outstanding assessed contributions at the end of 2013 to its total assessments for the period from 2006 to 2013 minus $493,048.

Iraq

11. At its sixty-fifth session, the Committee on Contributions took note of a payment plan submitted by Iraq under cover of a note verbale dated 11 April 2005. This schedule is summarized below:

	Payment (United States dollars)
2005	5 000 000
2006	5 000 000
2007	5 000 000
2008	4 870 286

12. If it had been implemented, the plan would have involved payments totalling $19,870,286.

Niger

13. In a note verbale dated 22 March 2004, the Permanent Mission of the Niger to the United Nations submitted a proposed schedule for the payment of its assessed contributions. The schedule is summarized below:

	Payment (United States dollars)
2004	18 000
2005	40 000
2006	45 000
2007	50 000
2008	70 000

	Payment (United States dollars)
2009	98 000
2010	98 000
2011	98 000
2012	30 000

14. If fully implemented, this schedule would involve payments totalling $547,000 over the period from 2004 to 2012. If that amount is received during the period from 2004 to 2012, it will reduce the Government's outstanding assessed contributions at the end of 2012 to the total of its assessments during the period from 2006 to 2012 minus $97,839.

Republic of Moldova

15. At the special session of the Committee on Contributions in 1996, the Government of the Republic of Moldova indicated its intention to pay its arrears of assessed contributions to the United Nations over a period of seven years. The Government submitted revised schedules of payments at the fifty-ninth and sixty-first sessions of the Committee, in 1999 and 2001, respectively, which are summarized below:

	Schedule proposed in		
	1996	*1999*	*2001*
	(United States dollars)		
1996	1 000 000		
1997	1 000 000-1 200 000		
1998	1 000 000-1 200 000		
1999	1 000 000-1 200 000		
2000	1 000 000-1 200 000	500 000	
2001	1 000 000-1 200 000	558 947	180 000
2002	1 000 000-1 200 000	700 000	500 000
2003		700 000	800 000
2004		700 000	820 000
2005			1 000 000

16. The most recent schedule proposed by the Government of the Republic of Moldova was fully implemented in 2005.

Sao Tome and Principe

17. Under cover of his letter of 17 May 2002 addressed to the President of the General Assembly, the Chargé d'affaires a.i. of Sao Tome and Principe to the United Nations submitted the following calendar of future payments:

	Payment (United States dollars)
2002	27 237
2003	42 237
2004	59 237
2005	74 237
2006	89 237
2007	114 237
2008	134 237
2009	153 752

18. If fully implemented, the schedule proposed by the Government of Sao Tome and Principe would involve payments totalling $693,896. If that amount is received during the period from 2002 to 2009, it will reduce the Government's outstanding assessed contributions at the end of 2009 to its total assessments during the period from 2006 to 2009 minus $17,478.

Tajikistan

19. In his letter of 15 September 2000 to the President of the General Assembly, the Prime Minister of Tajikistan indicated that his Government had paid $65,250.76 in 2000 and proposed a plan for the phased reduction of its arrears, which is summarized below:

	Payment (United States dollars)
2000	65 251
2001	67 822
2002	67 822
2003	67 822
2004	67 822
2005	67 822
2006	203 466
2007	203 466
2008	203 467
2009	203 467
2010	203 467

20. If fully implemented, the schedule proposed by the Government of Tajikistan would involve payments totalling $1,421,694. If that amount, which has already been exceeded, had been received during the period from 2000 to 2010, it would have reduced the Government's outstanding assessed contributions at the end of 2010 to $1,164,575 plus its total assessments during the period 2006-2010.

Other Member States

21. As indicated in the report of the Committee on Contributions on its sixty-fourth session,[6] the Central African Republic indicated to the Committee that a

long-term calendar of payments was being drawn up by its Finance and Budget Ministry and should be announced soon. As noted by the Committee in its report on its sixty-fifth session,[7] no further information was received during that session and the calendar had not been received at the time that the present report was prepared. At its sixty-fourth session, the Committee was also informed by the representative of Guinea-Bissau that the Government of Guinea-Bissau was keeping the possibility of submitting a multi-year payment plan under continuous consideration as the country's situation normalized.[8] At its sixty-fifth session, the Committee noted that Guinea-Bissau had indicated that it would keep the issue of multi-year payment plans under continuous consideration and, as the country's situation normalized, would establish such a plan as a matter of priority and inform the General Assembly accordingly.[9] Such a plan had not been received at the time that the present report was prepared. The Committee encouraged the Central African Republic, the Comoros and Guinea-Bissau to consider presenting a multi-year payment plan as a way of gradually reducing their outstanding assessed contributions to the United Nations.[10]

22. No other Member States have so far submitted payment plans or schedules for the elimination of their arrears.

III. Status of payment plans of Member States as at 31 December 2005

23. The status of implementation of the most recent payment plans submitted by Georgia, Iraq, the Niger, the Republic of Moldova, Sao Tome and Principe and Tajikistan as at 31 December 2005 is summarized below, in United States dollars.

	Georgia				*Iraq*			
	Most recent plan	*Assessment at 31 December*	*Payments/ credits*	*Outstanding at 31 December*	*Payment plan*	*Assessment at 31 December*	*Payments/ credits*	*Outstanding at 31 December*
1999				7 205 324				13 106 122
2000		116 120	184 443	7 188 001		510 465	59 962	13 556 625
2001		87 686	302 218	6 973 469		2 143 639	321 240	15 379 024
2002		114 552	70 298	7 019 723		1 732 728	138 571	16 973 181
2003		97 200	14 759	7 102 164		2 640 757	74 063	19 539 875
2004	776 229	79 750	899 929	6 281 985		491 339	123 498	19 907 716
2005	776 229	87 328	777 744	5 591 569	5 000 000	465 752	20 268 420	105 048
2006	776 229				5 000 000			
2007	776 229				5 000 000			
2008	776 229				4 870 286			
2009	776 229							
2010	776 229							
2011	776 229							
2012	776 229							
2013	776 229							

	Niger				*Republic of Moldova*			
	Payment plan	*Assessment at 31 December*	*Payments/ credits*	*Outstanding at 31 December*	*Payment plan*	*Assessment at 31 December*	*Payments/ credits*	*Outstanding at 31 December*
1999				334 149				3 386 720
2000		27 082	95	361 136		161 436	324 618	3 256 538
2001		14 483	318	375 301	180 000	38 395	163 254	3 131 810
2002		15 723	3 233	387 791	500 000	56 202	516 732	2 679 236
2003		17 124	950	403 965	800 000	38 883	861 278	1 856 841
2004	18 000	20 932	28 926	395 971	820 000	26 791	751 795	1 131 837
2005	40 000	24 264	41 436	378 799	1 000 000	29 111	1 061 836	99 112
2006	45 000							
2007	50 000							
2008	70 000							
2009	98 000							
2010	98 000							
2011	98 000							
2012	30 000							
2013								

	Sao Tome and Principe				*Tajikistan*			
	Most recent plan	*Assessment at 31 December*	*Payments/ credits*	*Outstanding at 31 December*	*Payment plan*	*Assessment at 31 December*	*Payments/ credits*	*Outstanding at 31 December*
1999				570 783				2 436 208
2000		13 543	48	584 278	65 251	63 507	205 389	2 294 326
2001		14 254	157	598 375	67 822	18 727	296 251	2 046 802
2002	27 237	15 723	29 146	584 952	67 822	22 205	306 961	1 765 046
2003	42 237	17 124	929	601 147	67 822	19 439	296 628	1 487 857
2004	59 237	20 932	1 559	620 520	67 822	26 183	400 955	1 113 085
2005	74 237	24 264	202	644 582	67 822	29 111	65 957	1 076 239
2006	89 237				203 466			
2007	114 237				203 466			
2008	134 237				203 467			
2009	153 752				203 467			
2010					203 467			
2011								
2012								
2013								

24. As indicated in the table, the Government of the Republic of Moldova exceeded payments included in its payment plan in 2005 and no longer fell under the provisions of Article 19 of the Charter. Iraq made a payment of $20,256,697 through a transfer from the escrow account for the United Nations Monitoring,

Verification and Inspection Commission ($20,268,420 including credits applied). This exceeded the amount of the payment plan and Iraq no longer fell under the provisions of Article 19 of the Charter. The Government of Tajikistan has once again significantly exceeded the payments and credits for the period from 2000 to 2005 foreseen in its schedule. Payments and credits totalling $1,572,141 were applied during that period, compared with anticipated payments totalling $404,361 for those years in its schedule. Indeed, the payments and credits applied already exceed the total amount foreseen in Tajikistan's schedule. Were the Government of Tajikistan nevertheless to make the payments currently indicated in its schedule for the period from 2006 to 2010 (a total of $1,017,333), its outstanding assessed contributions at the end of 2010 would amount to $58,906 plus the amount of its assessments during the period from 2006 to 2010.

25. Payments by the Government of Sao Tome and Principe foreseen for the period from 2002 to 2005 in its schedule of payments ($202,948) significantly exceeded the amounts actually received and applied in those years ($31,836). As a result, were the Government of Sao Tome and Principe to make the payments currently indicated in its schedule for the period from 2006 to 2009 ($491,463), its outstanding assessed contributions at the end of 2009 would amount to its assessments during the period from 2006 to 2009 plus $153,119.

26. Both Georgia and the Niger had payments and credits applied to their outstanding assessed contributions in 2005 that exceeded the amounts foreseen in their payment plans. Were the Government of Georgia to make the payments currently indicated in its schedule for the period from 2006 to 2013 ($6,209,832), its outstanding assessed contributions at the end of 2013 would amount to its assessments for the period from 2006 to 2013 minus $618,263. Were the Government of the Niger to make the payments currently indicated in its schedule for the period from 2006 to 2012 ($489,000), its outstanding assessed contributions at the end of 2012 would amount to its assessments for the period from 2006 to 2012 minus $110,201.

IV. Conclusions and recommendations

27. **The General Assembly may wish to take note of the present report and encourage Member States with significant arrears in contributions to consider submitting a multi-year payment plan.**

Notes

[1] A/57/65.

[2] See *Official Records of the General Assembly, Fifty-seventh Session, Supplement No. 11* (A/57/11), chap. IV.A, paras. 17-23.

[3] A/58/63.

[4] A/59/67.

[5] A/60/66.

[6] *Official Records of the General Assembly, Fifty-ninth Session, Supplement No. 11* (A/59/11), para. 47.

[7] Ibid., *Sixtieth Session, Supplement No. 11* (A/60/11), para. 58.

[8] Ibid., para. 60.

[9] *Official Records of the General Assembly, Sixtieth Session, Supplement No. 11* (A/60/11), para. 59.

[10] Ibid., paras. 87, 92 and 103.